

**Dallas D. Erickson Testimony
House Business and Labor Committee
HB 146 Class III Gambling
February 12, 2007**

EXHIBIT 4
DATE 2-12-07
HB 146

Mr. Chair and Members of the Committee,

I am Dallas Erickson and represent Montana Values Alliance. We ask you to oppose this power grab instigated on behalf of the Governor.

We think it is cruel to even consider foisting Gambling of any kind on the Noble Tribes of the Native Americans. There is much evidence to indicate that the money and employment brought in by gambling is more than offset by the harm of this addictive activity. Gambling is addictive:

- The number of Gamblers Anonymous chapters in the United States has nearly doubled in the last eight years. GA now has more than 1,200 chapters meeting regularly across the country.¹
- Dr. Rachel Volberg has conducted the majority of compulsive gambling prevalence surveys in the United States. According to Dr. Volberg, the prevalence of gambling problems, as indicated in her statewide surveys, has increased noticeably in more recent years as gambling has become more widely available.²
- Two gambling behavior surveys conducted in Minnesota showed a substantial increase in the number of compulsive gamblers coincidental with the expansion of gambling in that state. The lottery was introduced in Minnesota in 1990, while casino gambling was just gaining a toehold that year. By 1994, however, there were 17 casinos in operation in Minnesota with estimated gross annual sales of between \$3 billion to \$4 billion. The percentage of Minnesota adults who demonstrated a serious gambling problem in the past year climbed from 2.5 percent of the population in 1990 to 4.4 percent in 1994.³
- Gambling surveys in the state of Iowa showed a marked increase in the number of problem and pathological gamblers after the introduction of casinos. In 1989, only 1.7 percent of Iowa adults showed indications of having a serious gambling problem; by 1995, the percentage had more than tripled to 5.4 percent.⁴
- Studies being undertaken at the University of Nevada-Las Vegas indicate the incidence of problem gambling in Nevada is 8 or 9 percent, which would be the highest rate in the nation.⁵
- A court-ordered temporary shutdown of video lottery machines in the state of South Dakota resulted in a drastic reduction of people seeking treatment for gambling addictions. A study of gambling treatment centers in the state found that before the machines were shut off, the four centers studied received an average of 68 inquires and treated 11 gamblers per month. During the time the machines were shut down, the average number of inquiries and clients treated both plummeted to less than one per month. Once the machines resumed operations, the number of average monthly inquiries immediately increased to 24 while eight gamblers a month sought treatment at the facilities.⁶
- Dr. Rob Hunter, founder and director of the Charter Hospital Gambling Treatment Center in Las Vegas and a nationally recognized expert on gambling addiction, estimates that 15 percent of casino workers have a compulsive gambling problem.⁷
- In New York, the percentage of individuals who report having had a gambling problem increased from 4.2 percent in 1986 to 7.3 percent a decade later, as gambling opportunities greatly expanded.⁸
- In Oregon, the number of Gamblers Anonymous chapters increased from three to more than 30 within five years of the introduction of video poker machines. Gambling addiction experts contend video poker is among the most addictive forms of gambling.⁹
- In 1996, Mississippi and Louisiana ranked number three and four, respectively, among the states in terms of the amounts of money legally wagered.¹⁰ Recent studies indicate that 7 percent of adults in both of those states have been classified as problem or pathological gamblers.¹¹

Endnotes

- ¹ Information provided by Gamblers Anonymous International Service Office, Los Angeles, California, February 23, 1998.
- ² Rachel A. Volberg, "Prevalence Studies of Problem Gambling in the United States," *Journal of Gambling Studies*, Summer 1996, p. 123.
- ³ Michael O. Emerson, J. Clark Laudergeran, James M. Schaefer, "Adult Survey of Minnesota Problem Gambling Behavior, A Needs Assessment: Changes 1990 to 1994," Center for Addiction Studies, University of Minnesota, Duluth, September 1994.
- ⁴ Rachel A. Volberg, "Gambling and Problem Gambling in Iowa: A Replication Survey," Iowa Department of Human Services, July 28, 1995.
- ⁵ Rex Buntain, "There's a Problem in the House," *International Gaming & Wagering Business*, July 1996, p. 40.
- ⁶ Robert D. Carr, Jerome E. Buchkoski, Lial Kofoed, and Timothy J. Morgan, "'Video Lottery' and Treatment for Pathological Gambling: A Natural Experiment in South Dakota," *South Dakota Journal of Medicine*, January 1996, p. 31.
- ⁷ Buntain, *op. cit.*, p. 40.
- ⁸ Rachel A. Volberg, "Gambling and Problem Gambling in New York: A 10-Year Replication Survey, 1986 to 1996," Report to the New York Council on Problem Gambling, July 1996.
- ⁹ Jeff Mapes, "Gambling on Addiction," *The Oregonian*, March 9, 1997, p. 1A.
- ¹⁰ "1996 Gross Wagering By State," *International Gaming & Wagering Business*, August 1997, p. 20.
- ¹¹ Rachel A. Volberg, "Gambling and Problem Gambling in Mississippi," Report to the Mississippi Council on Compulsive Gambling, November 1996, p. 31. (NOTE: The actual percentages were 7.0% for Louisiana, 6.8% for Mississippi.)

It has become commonly known that there is an association between gambling and increased criminal activity. The gambling industry offers hearty denials and various statistical manipulations attempting to counter this perception. Information from gambling communities across the country, however, indicates that gambling does indeed foster a significant increase in crime.

- In the first six years of casinos in Minnesota, the crime rate in counties with casinos increased more than twice as fast as in non-casino counties. According to an analysis by the Minneapolis *Star Tribune*, the median crime rate in casino counties rose 39 percent during that period as compared to an 18 percent increase in non-casino counties. ¹
- The total number of crimes within a 30-mile radius of Atlantic City increased by 107 percent in the nine years following the introduction of casinos to Atlantic City. ²
- The Mississippi Gulf Coast experienced a 43 percent increase in crime in the four years after casinos arrived. Harrison County, where most of the Gulf Coast casinos are located, witnessed a 58 percent increase in total crimes between 1993 and 1996. ³
- A *U.S. News & World Report* analysis found crime rates in casino communities to be 84 percent higher than the national average. Further, while crime rates nationally dropped by 2 percent in 1994, the 31 localities that introduced casinos in 1993 saw an increase in crime of 7.7 percent the following year. ⁴